concerned exporters which includes suspension/ cancellation of his Importer-Exporter Code Number, his debarment from availing Import Licences, imposition of fiscal penalties etc.

Refinancing of Commercial Banks by NABARD

1104. SHRI VINAY KATIYAR : Will the Minister of FINANCE be pleased to state :

(a) whether the Government have decided to withdraw the refinance support extended by the National Bank for Agriculture and Rural Development to commercial banks; and

(b) if so, the details thereof and the reasons therefor?

THE MINISTER OF FINANCE AND MINISTER OF COMPANY AFFAIRS (SHRI P. CHIDAMBARAM) : (a) and (b). National Bank for Agriculture and Rural Development (NABARD) has reported that they have not decided to withdraw refinance support to commercial banks. However, keeping in view their resources availability and comparatively comfortable resources position of commercial banks vis-a-vis Cooperative Banks/Land Development Banks, NABARD have decided to extend refinance support to commercial banks only for project-based lending in thrust areas which *inter-alia* include horticulture floriculture, animal husbandry, fisheries (other than brackish water aquaculture), seed processing, sericulture and other innovative and specifically approved schemes. NABARD would, however, continue to extend refinance support to commercial banks for loans under non-farm sector, SC/ST Action Plan and Externally Aided Projects.

NABARD has further reported that for Bihar, Orissa and North-East Region, they will continue to extend refinance support to commercial banks for all eligible purposes.

Highest Amount of Central Excise Paying Companies

1105. SHRI HARIN PATHAK : Will the Minister of FINANCE be pleased to state :

(a) the names of those companies/individuals who have paid the highest amount of Central excise and income tax in Bombay and Gujarat especially Ahmedabad circle during the last three years;

(b) the total amount actually paid by them during the above period and total amount which was outstanding against them; and

(c) the total amount realised as excise and income tax in this region during the above period?

THE MINISTER OF FINANCE AND MINISTER OF COMPANY AFFAIRS (SHRI P. CHIDAMBARAM) : (a) to (c). The information is being collected and will be laid on the Table of the House.

Jute Corporation of India

1106. SHRI BASUDEB ACHARIA : Will the Minister of TEXTILES be pleased to state :

(a) whether the Government propose to diversify the activities of Jute Corporation of India; and

(b) if so, the details thereof alongwith the reasons therefor?

THE MINISTER OF TEXTILES (SHRI R.L. JALAPPA): (a) and (b). No such concrete plan is under consideration.

[Translation]

Inflation Rate

1107. SHRI PAWAN DIWAN : Will the Minister of FINANCE be pleased to state :

(a) whether the rate of inflation has crossed double digit despite the measures taken by the Government to control it;

(b) if so, the weekly rate of wholesale price index and consumer price index of essential commodities during the last six months;

(c) the reasons for continuous increase in price indexes;

(d) the weekly rate of inflation on point to point basis during the said period;

(e) the effect of rise in inflation rate on the wholesale and retail prices of essential commodities; and

(f) the steps taken of proposed to be taken to check price hike and to control the rate of inflation?

THE MINISTER OF FINANCE AND MINISTER OF COMPANY AFFAIRS (SHRI P. CHIDAMBARAM) : (a) No, Sir. In the current financial year the inflation rate based on Wholesale Price Index has remained below 5 per cent. The inflation rate based on Consumer Price Index for Industrial Workers CPI(IW) was, however, 9.3% as on May 1996.

(b) Unlike WPI, the Consumer Price Index is available on monthly basis. The movement of the two indices in respect of essential commodities for the past six months is listed below :

TABLE 1

Index of prices of essential commodities

	WPI (Base 1981-82=100)	CPI(IW) (Base 1982=100)
	1	2
December, 95	300.5	319
January, 96	296.6	314

	1	2
February, 96	294.7	315
March, 96	294.6	315
April, 96	301.0	320
May, 96	305.1 P	NA
June, 96	314.0 P	-

P = Provisional.

(c) Increase of 4.5% in the WPI between December 1995 to June 1995 is a modest increase. Part of this increase is seasonal in nature—especially in case of fruits and vegetables.

The inflation rate based on consumer price index also showed some deceleration from 9.7% in December 1995 to 9.3% in May 1996.

(d) The point to point annual inflation rate for each week during the past six months is shown below in Table 2.

TABLE 2

Point to point inflation rate

Week ending	index (1981-82 = 100)	inflation (%)
1	2	3
2.12.95	298.5	7.1
9.12.95	298.1	6.5
16.12.95	297.9	6.4
23.12.95	297.0	6.0
30.12.95	296.8	5.8
6.1.96	296.8	5.2
13.1.96	297.1	4.9
20.1.96	298.1	5.0
27.1.96	297.5	4.9
3.2.96	297.6	4.7
10.2.96	297.7	4.4
17.2.96	297.9	4.6
24.2.96	298.4	4.9
2.3.96	299.3	5.1
9.3.96	299.3	5.2
16.3.96	299.3	5.1
23.3.96	299.5	5.0
30.3.96	299.5	4.4
6.4.96	301.8	4.8
13.4.96	302.5	4.9
20.4.96	302.7	4.6
27.4.96	304.1	5.0
4.5.96	303.5	4.6
11.5.96	304.3 (P)	4.4
18.5.96	304.3 (P)	4.2
25.5.96	304.3 (P)	4.1
1.6.96	305.4 (P)	4.8
8.6.96	306.0 (P)	4.7
15.6.96	306.2 (P)	4.5
22.6.96	306.2 (P)	4.2
29.6.96	306.5 (P)	4.2

P = Provisional.

(e) There was no increase in the rate of inflation during the last six months. In fact there was a decleration in the inflation rate from 7.1% in the first week of December 1995 to 4.6% by the first week of May 1996.

(f) The important steps taken to contain inflation are:

(1) continuation of open market sale by FCI of rice and wheat.

(2) continuing OGL import policy for selected essential commodities such as sugar, edible oils, pulses and low fat milk powder at nil or reduced duty.

(3) import of edible oils on government account for supply through PDS.

(4) control of fiscal deficit in 1995-96 to 5.9% (RE) of GDP.

(5) containing monetary growth to 13 per cent in 1995-96 through a series of measures.

(6) maintaining a liberal import policy, combine with reduction in import duties, for most of the commodities.

[English]

Lower Excise on Higher Steel Production

1108. SHRIMATI JAYAWANTI NAVINCHANDRA MEHTA: Will the Minister of FINANCE be pleased to state:

(a) whether the Government are aware that though the country produced six lakh metric tonnes of stainless steel during 1995-96 it has received excise duty only for three lakh metric tonnes;

(b) if so, the details thereof alongwith the reasons therefor;

(c) the action being initiated against the defaulting companies; and

(d) the actual losses incurred during the last three years due to evasion of excise by such companies year-wise?

THE MINISTER OF FINANCE AND MINISTER OF COMPANY AFFAIRS (SHRI P. CHIDAMBARAM): (a) to (d). Information is being collected and will be laid on the Table of the House.